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UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

HEARTS ON FIRE COMPANY, LLC,

Plaintiff,

CIVIL ACTION NO. 04-12258-JLT

v.

EIGHTSTAR DIAMOND COMPANY,

Defendant.

HEARTS ON FIRE COMPANY, LLC'S MOTION TO DISMISS COUNTERCLAIMS

Plaintiff Hearts On Fire Company, LLC ("HOF") submits this motion to dismiss the counterclaims asserted by EightStar Diamond Company ("EightStar") for lack of subject matter jurisdiction and/or failure to state a claim upon which relief can be granted. Fed. R. Civ. P. 12(b)(1), (6). In support of this motion, HOF relies on its accompanying memorandum of law and states as follows:

- 1. In Count I, EightStar seeks a declaration that HOF's marks cannot be registered by the USPTO. There is no subject matter jurisdiction for this Court to hear EightStar's request for a declaration of non-registrability in Counterclaim Count I because there is no registered mark at issue in this case. The Lanham Act provides only two bases for judicial jurisdiction over registrability: (i) appeals from final PTO rulings on registrability; and (ii) counterclaims for cancellation of a registered mark. Neither basis applies here.
- 2. In Counts I and II, EightStar seeks a declaration of non-infringement. However, EightStar has not established the requisite justiciable controversy through allegations that it uses

the marks in question or has definite and concrete plans to do so. In fact, Eight Star has denied using the marks.

3. Both counts must also fail because they are defenses that are incorrectly designated as counterclaims.

WHEREFORE, HOF respectfully requests, for the reasons set forth herein as well as in the accompanying memorandum of law, that this Court dismiss EightStar's counterclaims with prejudice.

Request for Oral Argument

Pursuant to Local Rule 7.1(D), HOF respectfully believes that oral argument will assist the Court in this matter and, therefore, requests a hearing on this motion.

HEARTS ON FIRE COMPANY, LLC

By its attorneys,

/s/ Mark D. Robins

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Dated: January 10, 2005

Certification of Compliance with Local Rule 7.1(A)(2)

I, Mark D. Robins, Esq., hereby certify that I have conferred with counsel in an attempt to resolve or narrow the matters contained in this motion. After conferring, the parties are unable to resolve or narrow these particular matters.

/s/ Mark D. Robins

Mark D. Robins